

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** DAYN HARDIE  
MATT HUNTER  
DEPUTY ATTORNEYS GENERAL

**DATE:** APRIL 15, 2021

**SUBJECT:** IN THE MATTER OF SUEZ WATER IDAHO'S APPLICATION FOR AMENDMENT OF ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY; CASE NO. SUZ-W-21-02.

On April 2, 2021, SUEZ Water Idaho Inc. ("SUEZ") applied to amend its certificated service territory to remove an area in unincorporated Ada County.

### BACKGROUND

The 520-acre area was added to SUEZ's certificated service area in 2007 in anticipation of a residential subdivision described as the Trailhead Community being built on it. *See* Case No. UWI-W-06-04, Order No. 30367; Application, Attachments A and B (map and legal description of subject area). The Trailhead Community was never developed, however. Application at 3. SUEZ asserts that the "entire area is undeveloped and unserved, and SUEZ has not received any formal request for extension of service from, or committed to serve, any property owner in the area." *Id.* SUEZ also states that it is "not aware of any development applications pending before Ada County or the City of Eagle [{"City"}] affecting this area." *Id.*

SUEZ and the City recently signed a Water Management Agreement ("WMA"), effective February 9, 2021. *Id.* at 4. SUEZ notes:

A primary purpose of the WMA is to provide a mechanism and process for the parties to cooperate in their future water planning and area of service decisions. The WMA contains terms addressing future service area adjustments, administrative filings with the Idaho Department of Water Resources and with the [Idaho Public Utilities Commission], guiding principles for future intertie

agreements, and maintenance of good faith communications concerning items of joint interest to SUEZ and the City.

*Id.*

### **THE APPLICATION**

SUEZ agreed in the WMA to file this Application with the Commission, seeking to remove the 520-acre area from SUEZ's certificated service area. *Id.* at 5. The City, SUEZ asserts, has represented to SUEZ that it can and will serve customers in the 520-acre area if it is removed from SUEZ's certificated service area. *Id.* at 6. However, the City cannot serve the 520-acre area until it is removed from SUEZ's certificated service area because the City agreed in a 2003 franchise agreement with SUEZ not to provide water service in SUEZ's certificated service area. *Id.* at 5.

SUEZ states, "Removal of the subject area from SUEZ's certificated service area would not necessarily preclude SUEZ from extending service there in the future if a property owner required water service and SUEZ and [the City] agreed that SUEZ was best able to serve consistent with their WMA." *Id.* at 6-7. SUEZ asserts that granting the Application would not impair SUEZ's ability to serve existing customers or to extend service to its remaining certificated service area. *Id.* at 6. No SUEZ investments would be stranded, and the usefulness of existing infrastructure would not be impacted. *Id.* SUEZ asks that the Application be processed by Modified Procedure. *Id.* at 7.

### **STAFF RECOMMENDATION**

Staff recommends the Commission issue a Notice of Application and Notice of Intervention Deadline, establishing a 21-day intervention period.

### **COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application and Notice of Intervention Deadline, establishing a 21-day intervention period?

  
\_\_\_\_\_  
Matt Hunter  
Deputy Attorney General